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STAFF NOTES:

Middle East **Africa South Asia**

Secret

 $\begin{array}{c} 126 \\ \text{SC No.} & 08372/75 \end{array}$ November 18, 1975

Approved For Release 2001/08/08: CIA-RDP79T00865A002200040002-3

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MIDDLE EAST - AFRICA - SOUTH ASIA

This publication is prepared for regional specialists in the Washington community by the Middle East - Africa Division, Office of Current Intelligence, with occasional contributions from other offices within the Directorate of Intelligence. Comments and queries are welcome. They should be directed to the authors of the individual articles.

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Chad

Military Government's Problems Intensify

The continuing strain in Franco-Chadian relations that resulted in the expulsion of some 2,000 French troops from Chad last month reportedly has had an unsettling effect on the domestic scene.

President Malloum's support within the ruling Supreme Military Council is eroding and council members are divided over what policy Chad should now follow vis-a-vis France. Young nationalistic officers on the council headed by Foreign Minister Kamougue and Minister of Territorial Development Roasngar are said to favor a tough anti-French posture. reportedly are opposed by older, conservative officers led by Minister of Interior Djime and Minister of Finance Djogo, who recognize the economic necessity of continuing close ties with Paris. Although the young officers were somewhat placated by Malloum's decision to expel the French troops, they reportedly continue to complain about their general lack of influence on policy matters and remain concerned about the government's inability to come to grips with Chad's many problems.

The French departure may also give a psychological boost to the restive Muslim tribesmen in northern and central Chad who have been waging a low-level insurgency for many years. Although 300 French technical advisers remain to assist the Chadian army, the army will be hard pressed to operate against the rebels. The army's ineffectiveness was highlighted last month when an operation against the rebel tribesmen reportedly resulted in the deaths of 19 Chadian troops while rebel losses were minimal. Although the rebels do not pose an immediate threat to the regime, their victory has reportedly heightened fears in Ndjamena that they may be emboldened by the French departure to try and step up their attacks in the future.

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The regime has been actively seeking alternate sources of military assistance over the past months in an effort to reduce dependence on its traditional supplier, France. Chad's minister of finance has visited Moscow and several East European countries to request military aid. The Soviet Union reportedly responded by allowing a quantity of Soviet arms and ammunition in Congo to be sent to Chad last month.

The departure of French troops and their dependents has also been clostly to Chad in other ways. It has resulted in a reduction in local commerical activity, increased unemployment, and a loss of essential medical expertise provided by the French military hospital, which is now closed. These problems are certain to worsen the already serious eocnomic situation in Chad and will also further antagonze many Chadians, especially Muslims and Southern Sara tribesmen who reportedly already are concerned about their loss of influence under the present regime. The Saras--Chad's largest ethnic group--were strongly represented in the government of former president Tombalbaye, who was overthrown and killed last April. (SECRET NOFORN/NOCONTRACT)



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Gabon

Step-Up in Oil Exploration Activity

Gulf Oil Corporation is accelerating its exploration activities in Gabon. The company plans to drill 9 to 13 wells in the next year or so, compared with only one well per year during the last several years. At present, Gulf produces a very small amount of oil in Gabon.

ELF, a French group, is the largest operator in the country, accounting for about 75 percent of the estimated 200,000 barrels a day currently being produced. ELF and several other companies including Shell and Texaco/Chevron are also pushing exploration programs.

Gulf's expansion of its activity in Gabon is motivated by several considerations:

- --prospects of finding commercial deposits are extremely good;
- --the company is searching for new sources of of supply to replace the possible loss of the crude it obtains from Venezuela and Kuwait, where its holdings have been nationalized;
- --the Gabonese government has been willing to deal with the companies in a pragmatic manner, allowing them sufficient profits to encourage company reinvestment;
- --certain Gulf concessions in Gabon expire in 1977 and must be relinquished if reserves are not found.

Gabon, the newest member of OPEC, is counting on additional oil finds to pay the costs of its ambitious development plan. Productive capacity from currently proved reserves is expected to peak at about 300,000

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barrels a day in the next several years. New reserves will be needed to maintain this rate of production. (CONFIDENTIAL)



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